

**EFFECTIVE**

January 1, 2014.

**Subject(s)**

**Due to technical difficulties the implementation of MAGI-related Medicaid will be delayed. As such, the change to MAGI methodology income budgeting will not be effective January 1, 2014 as planned. Individuals should apply for Medicaid using the current processes.**

**Modified Adjusted Gross Income (MAGI) Related Medicaid**

The Affordable Care Act of 2010 is the collective term for the Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

MAGI for purposes of Medicaid eligibility is a methodology which State agencies and the Federally Facilitated Marketplace (FFM) must use to determine financial eligibility. It is based on Internal Revenue Service (IRS) rules and relies on federal tax information.

MAGI groups include the categories formerly referred to as FIP-related Medicaid. Eligibility for children under 19, pregnant women, parents/caretakers, former foster children, AMP, MOMS, Plan First!, and MICHild are determined using MAGI methodology.

The MAGI rules engine determines eligibility for these categories. There is no asset test for MAGI related groups.

The Health Insurance Marketplace is a new way to find health coverage. The Marketplace is sometimes referred to as the "exchange."

Insurance plans in the Marketplace are offered by private companies, and they cover the same core set of benefits called essential health benefits. No plan can refuse coverage or charge more because of an illness or medical condition. Plans cannot charge women more than men. Open enrollment in the Marketplace begins October 1, 2013. Coverage may begin as soon as January 1, 2014.

The federal streamlined application is a single point of entry to purchase private insurance through the Health Insurance Marketplace and assess eligibility for assistance including

Medicaid, MIChild, and the Advanced Payment of Tax Credits (APTC) or Cost Sharing Reduction (CSR).

The Centers for Medicare and Medicaid (CMS) has created the application which is available electronically as well as in paper form. Individuals may apply online using this application at HealthCare.gov

The DCH-1426, Application for Health Coverage & Help Paying Costs, is the State of Michigan (SOM) version of the federal application.

Revising BAM and BEM will be an ongoing process as more information becomes available. Details regarding business process changes are being formulated and more information will be forthcoming.

## **BAM 105**

### **Rights and Responsibilities**

Information regarding the new DCH-1426, Application for Health Coverage & Help Paying Costs, was added. Corrected a DHS address and process for complaints.

*Reason:* DHS central office request. The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

## **BAM 110**

### **Application Filing and Registration**

Information regarding the new DCH-1426, Application for Health Coverage & Help Paying Costs, was added.

The DCH-0373 and the MSA-1582 are obsolete and no longer acceptable applications for Medicaid.

The 1171, Assistance Application, is no longer used to apply or renew Medicaid categories.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

**BAM 115****Application Processing**

Removed references to DCH-0373, MIChild-Healthy Kids application. Added DCH-1426, Application for Health Coverage & Help Paying Costs.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152). The DCH-0373 has been obsoleted.

**BAM 115****Eligibility Decisions****FAP Only**

An interview is required before denying assistance even if it is clear from the application or other sources that the group is ineligible. For non-expedited FAP, the interview must be scheduled **to occur** by the 20th day to allow the client at least 10 days to provide verifications by the 30th day. Do not deny the application if the client has not participated in the initial interview until after the 30th day after the application date even if he/she has returned all verifications.

*Reason:* Policy clarification.

**Signature Requirements****RCA Only**

A DHS-1173 is now required to be signed for all adult members in the home for MIBridges applications.

*Reason:* Policy clarification.

**BAM 120****DCH/DHS Coordination**

Obsolete information regarding referrals between MIChild and Healthy Kids has been removed. References to the Healthy Kids/Plan First central unit have been removed.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

### **BAM 130**

#### **Verification and Collateral Contacts**

Removed references to TMA-Plus.

*Reason:* The program ended December 31, 2013.

### **BAM 402**

#### **MA/ AMP Benefits**

Updated Healthy Kids Dental counties. Removed obsolete copayment information. Updated Eligibility Verification System (EVS) information.

*Reason:* More counties are enrolled in the Healthy Kids Dental program. Information for local office staff.

### **BEM 105**

#### **Medicaid Overview**

References to FIP-related MA have been deleted. MAGI-related information has been added.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

### **BEM 110**

#### **Low-Income Family MA (LIF)**

References to FIP-related MA have been deleted. MAGI-related information has been added. A specified relative is now referred to by the federal term; core relative.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

### **BEM 111**

#### **Transitional MA (TMA)**

References to FIP-related MA have been deleted. MAGI-related information has been added.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

### **BEM 113**

#### **Special N/ Support**

References to FIP-related Medicaid and countable child support income were removed.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

*Old Policy:* Child support was budgetable income.

### **BEM 118**

#### **Foster Care Transition Medicaid**

Individuals may remain eligible until they reach age 26.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

*Old Policy:* Individuals were eligible until age 21.

### **BEM 124**

#### **Plan First! Family Planning Program**

References to the MSA-1582, Plan First! Family Planning Program application has been removed. Information regarding the Plan First! central unit have been removed.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

*Old Policy:* Plan First! was only processed at the central unit.

### **BEM 125, 129, 131**

**Healthy Kids for Pregnant Women, Healthy Kids, and Other Healthy Kids.**

These items have been deleted.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

*Reason:*

**BEM 211****MA Group Composition**

References to FIP-related MA have been deleted. Household composition information for MAGI-related groups is available in the MAGI-related policy.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

*Old Policy:* Group composition followed fiscal group policy.

**BEM 220****Residence**

An individual is considered a resident of Michigan if they are residing in Michigan and indicate they intend to remain in the state.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

**BEM 240****Age**

Age related Medicaid categories were updated to reflect Affordable Care Act changes.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

**BEM 500**

**Income Overview**

Information regarding Modified Adjusted Gross Income (MAGI) methodology was added.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

**BEM 530****MA Income Budgeting**

References to Healthy Kids and TMA- Plus have been removed.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

**BEM 531**

This item has been deleted. Income policy is included in the MAGI-related policy.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

**BEM 536****Determining Budgetable Income**

References to Healthy Kids have been removed.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

**BEM 647****Transitional MA Plus (TMA-Plus)**

The item has been deleted as this program ended effective December 31, 2013.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152).

**BEM 655****MIChild**

This item has been moved to MAGI policy.

*Reason:* The Patient Protection and Affordable Care Act (Publication L. 111-148) and the Health Care and Education Reconciliation Act (Publication L. 111-152). MAGI policy contained in one location.



**MANUAL  
MAINTENANCE  
INSTRUCTIONS****Changed Items ...**

[BAM 110](#)  
[BAM 115](#)  
[BAM 120](#)  
[BAM 130](#)  
[BAM 402](#)  
[BEM 105](#)  
[BEM 110](#)  
[BEM 111](#)  
[BEM 113](#)  
[BEM 118](#)  
[BEM 124](#)  
[BEM 211](#)  
[BEM 220](#)  
[BEM 240](#)  
[BEM 530](#)  
[BEM 536](#)

**Deleted Items ...**

BEM 125  
BEM 129  
BEM 131  
BEM 531  
BEM 647  
BEM 655